

D.P.U. 93-2A-1

Application of Cambridge Electric Light Company, under the provisions of G.L. c. 164, § 94G, as amended by St. 1981, c. 375, and the Company's tariff, M.D.P.U. No. 500, for approval by the Department of Public Utilities of a change in the quarterly Fuel Charge to be billed to the Company's customers pursuant to meter readings in the billing month of June 1993.

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294 Washington Street
Boston, Massachusetts 02108
FOR: CAMBRIDGE ELECTRIC LIGHT COMPANY
Petitioner

I. INTRODUCTION

On May 12, 1993, pursuant to G.L. c. 164, § 94G, Cambridge Electric Light Company ("Cambridge" or "Company") filed with the Department of Public Utilities ("Department") a preliminary revised fuel charge seeking a change to its fuel charge in conformance with its tariff, M.D.P.U. 500. The Company requests that this change be effective for bills issued pursuant to meter readings in the billing month of June 1993. On June 3, 1993, the Company filed with the Department a proposed revised fuel charge containing the proposed change to the fuel charge.

Cambridge, a wholly-owned subsidiary of Commonwealth Energy System ("ComEnergy"), serves approximately 44,700 retail customers in the City of Cambridge, and sells power at wholesale to the Belmont Municipal Light Department. ComEnergy is an exempt holding company under the Public Utility Holding Company Act of 1935. ComEnergy's other subsidiaries, affiliates of Cambridge, include Commonwealth Electric Company ("ComElectric"), Canal Electric Company ("Canal"), Commonwealth Gas Company, Hopkinton LNG Corporation, Commonwealth Energy Service Company ("ComEnergy Service"), and Commonwealth Energy Steam Company. Cambridge operates several small oil/gas-fired generating units

¹ Certain capacity and transmission charges are currently being collected through base rates with the balance being collected through the fuel charge. The Company proposed, in its base rate proceeding, D.P.U. 92-250, that additional capacity charges be transferred to base rates from the fuel charge. The Department's Order in D.P.U. 92-250, issued on May 28, 1993, approved the Company's transfer proposal.

² To avoid collecting certain costs through both base rates and the fuel charge during June, the Company has recalculated its fuel charge for the month of June, 1993 and requested that the Department approve the use of this revised fuel charge.

and has contractual interests in Canal Unit 1 ("Canal 1") and Canal Unit 2 ("Canal 2"), two large oil-fired units owned by Canal.

Pursuant to a duly issued notice, a public hearing on the Company's application was held on June 7, 1993 at the Department's offices in Boston. Notice of the hearing was published in the Boston Globe. The Company was also required to mail a copy of the notice to all intervenors in the Company's two most recent fuel charge hearings and their respective counsel. There were no intervenors in the current proceeding.

The Company presented one witnesses in support of its application: Charles R. Fox, Jr., senior rate analyst, ComEnergy. The Company submitted one exhibit: the supporting schedules of Mr. Fox (Exh. CELC-1). No record requests were issued during the course of the proceeding.

II. FUEL CHARGE

In Cambridge Electric Light Company D.P.U. 93-2A (1993) the Department approved a fuel charge of \$0.04056 for bills issued pursuant to meter readings in the months of for April, May, and June 1993. The Company proposes a revised fuel charge for June of \$0.03205 per kilowatthour ("KWH") (Exh. CELC-1, sch. B). The proposed fuel charge is \$0.00851 per KWH less than the current fuel charge.

The Company stated that the primary reason for the decrease in the proposed fuel charge is the transfer of purchased power demand costs relating to Canal 1, Canal 2, and Seabrook 1 from the current fuel charge to base rates as a result of the Department's Order in D.P.U. 92-250 (Tr. at 7, 12). In addition,

the Company projects a reduction in fuel costs associated with decreased operation of its Kendall station id. at 11).

Partially offsetting the decrease is a projected increase in purchased-power energy costs associated with a revised projection of generation from Canal 1 id. at 11-12). The fuel charge is calculated by dividing the projected recoverable costs by the projected level of KWHs sold.

III. FINDINGS

Based on the evidence in this case, the Department finds that the fuel charge to be used by the Company for the billing month of June 1993 shall be \$0.03205 per KWH, subject to refund. The calculation of the fuel charge is shown in Table 1, which is attached to this Order.

IV. ORDER

Accordingly, after due notice, public hearing, and consideration, it is

ORDERED: That Cambridge Electric Light Company is authorized to put into effect a quarterly fuel charge of \$0.03205 per KWH, subject to refund, for bills issued pursuant to meter readings for June 1993; and it is

FURTHER ORDERED That such fuel charge shall apply to all KWHs sold to the Company's customers subject to the jurisdiction of the Department and shall be itemized separately on all such customers' bills; and it is

FURTHER ORDERED That the Company shall, in all future fuel charge proceedings, provide all intervenors and their respective counsel from the prior two fuel charge proceedings with a copy of its fuel charge filing on the same day it is filed with the Department.

By Order of the Department,